

R&D as a Percentage of Total Revenue: Apple iTunes and Other Online Marketplaces
Epic Games, Inc. v. Apple Inc., Case No. 4:20-cv-05640-YGR-TSH (N.D. Cal.)
Summary Pursuant to Federal Rule of Evidence 1006

	Fiscal Year Ended								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
iTunes									
eBay	10.6%	11.2%	11.1%	11.2%	10.7%	12.0%	12.3%	12.0%	11.5%
Etsy	NR	25.0%	22.0%	18.7%	15.6%	15.1%	16.9%	16.1%	14.9%
Alibaba	14.5%	10.9%	9.7%	14.0%	13.6%	10.8%	9.1%	9.9%	8.5%
MercadoLibre	7.8%	7.7%	8.7%	9.6%	11.7%	11.7%	10.5%	10.2%	9.7%
Rakuten	0.2%	0.2%	0.2%	0.4%	1.2%	1.3%	NR	NR	NR
Median of Other Online Marketplaces	9.2%	10.9%	9.7%	11.2%	11.7%	11.7%	11.4%	11.1%	10.6%
Ratio of the Median of Other Marketplaces to iTunes									

Notes: NR denotes not reported. Data reported for Alibaba are for the fiscal year ended March 31 of the year following each respective calendar year.

Sources: PX2575 - PX2579 (eBay SEC Form 10-K for the fiscal years 2015-2019); eBay SEC Form 10-K for the fiscal years 2013-2014; PX2581 - PX2585 (Etsy SEC Form 10-K for the fiscal years 2015-2019); PX2874 - PX2878 (Alibaba SEC Form 20-F for the fiscal years 2015-2020); Alibaba SEC Form 20-F for the fiscal year 2014; PX2587 - PX2591 (MercadoLibre SEC Form 10-K for the fiscal years 2015-2019); MercadoLibre SEC Form 10-K for the fiscal years 2013-2014; and PX2592 - PX2597 (Rakuten Annual Reports for the fiscal years 2014-2019); Rakuten Annual Reports for the fiscal years 2012-2013; and PX0607 (APL-APPSTORE_10332891).

Description: The table above reports the ratio of research and development expense to revenue for the iTunes store and five online marketplaces considered in the Evans Opening Report. Apple reports R&D expenditures for the iTunes Store; the revenue of the iTunes Store has come mainly from the App Store in recent years.

See Evans Rebuttal Report Section V.B.2 and Evans Opening Report Section VI.C.3 for more detail.